



DEPARTMENT OF
TOXIC SUBSTANCES
CONTROL

*The mission of the
Department of Toxic
Substances Control is
to provide the
highest level of safety,
and to protect public
health and the
environment from
toxic harm.*



State of California



Cal/EPA

California Brownfields Cleanup Revolving Loan Fund (RLF) Program

Purpose: The Revolving Loan Fund Program's purpose is to facilitate the reuse and/or redevelopment of contaminated sites by making low-cost financing available for the cleanup of eligible public or privately held properties.

Funding: Working through a cooperative agreement with the Department of Toxic Substances Control (DTSC) that involves a partnership with the City of Los Angeles and the San Francisco Redevelopment Agency, the United States Environmental Protection Agency (U.S. EPA) awarded a grant of \$3 million to DTSC on August 10, 2006. The grant is to capitalize a revolving loan fund to be used for Brownfields site cleanup. DTSC is the fund administrator for the partnership, known as California's Urban and Rural Brownfields Coalition (CURB).

Overview: Loans may be provided to eligible governmental entities and other persons, such as site owners or developers, provided that they are not responsible parties under CERCLA section 107. Subgrants may be given to eligible governmental entities or other nonprofit organizations. Loans and subgrants may be used for cleanup of two types of Brownfields sites:

- Cleanup of hazardous substances release sites
- Cleanup of petroleum sites

Loans and subgrants are **not** for pre-cleanup site assessments. Applicants must complete assessment/investigation of the site and submit a completed remediation workplan or equivalent document. **Parties responsible for the contamination are not eligible for cleanup funding.**

Eligible borrowers can be any public or private entity with control over or access to a Brownfields site. Eligible subgrantees are limited to states, political subdivisions, U.S. territories, Indian tribes, and non-profit organizations that own the site they intend to clean up. Available loans are from \$200,000 to \$900,000 per site and subgrants are up to \$200,000 per site. subgrant funds are limited. Loan interest rates will be based on the length of the loan, usually between 2% to 4.5%. Borrowers will be responsible for a 10% owner equity participation match.

General Application Requirements:

- Property(ies) must meet the CERCLA definition of a Brownfields site: "...real property, the expansion, redevelopment, or reuse of which may be complicated



by the presence or potential presence of a hazardous substance, pollutant, or contaminant.”

- Site assessment/investigation has been completed.
- The applicant is an eligible entity—this includes any public or private entity with control over or access to the site; borrower may not be potentially liable under CERCLA section 107 for cleanup costs at the site—exception may be if the borrower qualifies for a CERCLA Bona Fide Prospective Purchaser, Contiguous Property Owner, or Innocent Landowner limitation on liability—these latter applicants must carry out (or have already carried out) “all appropriate inquiries” as found in CERCLA section 101(35)(B) on or before acquiring the site and must meet certain continuing obligations.
- A remediation plan and/or equivalent has been completed and/or approved.
- The site is not currently listed or proposed for listing on the National Priorities List.
- A Federal or State agency is not planning or conducting a response or enforcement action at the site.
- Property is not currently owned by a party responsible for the environmental contamination of the site.
- A release of a hazardous substance or pollutant has occurred at the site. (Note: If the only pollutant is petroleum, the Cal/EPA Lead Agency Determination process will be used to confirm DTSC as the site lead agency prior to proceeding with the application.)

The proposed project meets the “Eligible Sites” criteria presented below:

- The sole site contaminant is petroleum or petroleum product(s) and a determination is made that the site is of “relatively low risk” compared with other petroleum only sites in the state;
- Site contaminant is a controlled substance as defined under the Controlled Substances Act as “a drug or other substance, or immediate

precursor, included in schedule I, II, III, IV, or V of part B of 21 U.S.C. section 802.”

- Site is mine-scarred land that includes the land, associated waters, and surrounding watersheds where extraction, beneficiation, or processing of ores and minerals (including coal) has occurred (see 40 CFR 261.4(b)(7) for the definitions of extraction, beneficiation, and processing).

FOR MORE INFORMATION:

DTSC has developed an Implementation Plan/Loan Policies and Procedure Manual that provides additional information on the process and requirements of this loan/subgrant program. Staff are in the process of providing information (including the application package) under the Loans-Grants subheading, within DTSC’s Site Cleanup public website at:

<http://www.dtsc.ca.gov/SiteCleanup/index.cfm>

and/or

To be notified of any new loan/grant opportunities, you may go to <http://www.calepa.ca.gov/Listservs/DTSC/> and “subscribe” to the DTSC Loans – Grants listserv. You will receive an e-mail when new loan or grant information becomes available.

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